

Draft 2004 State Legislative Goals and Objectives

Staff recommends the following themes for consideration for the 2004 Sacramento legislative session:

1. CARB SIP Commitment

At their October 23, 2003 meeting, the California Air Resources Board committed to developing an additional 66 tons/day of new short-term measures to further reduce emissions in the South Coast Air Basin to meet the 2010 one-hour federal ozone standard with additional funding and/or authority. The highest priority of this legislative session will be to secure additional regulatory authority/funding for the AQMD and/or CARB to adopt the rules necessary to achieve the emissions reductions outlined in the approved plans.

2. Moyer/School Bus Funding

The Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program) was initiated in 1998 to reduce emissions from heavy-duty, diesel-powered mobile sources. This year funding will be provided by Proposition 40, the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act which was passed in the spring of 2002. Proposition 40 allocates \$50 million to CARB for distribution to air districts. Governor Davis elected to distribute this funding over the next two years, thus guaranteeing funding for the Carl Moyer Program only through 2004.

Additionally, funding for CNG and lower-emitting diesel school buses has been sporadic. This year, the AQMD would like to secure permanent and stable funding sources to support these two important programs for mobile source/toxic emission reductions.

3. State Subvention Funding

Currently, state subventions are disbursed through CARB to local air districts. The funds come through CARB's budget. Seeking statutory provision, as needed, to stabilize this funding source is recommended.

4. Guard Against Large State Fee Increases for Stationary Sources

Last year, as part of the Legislative Analyst's Office (LAO) analysis of the proposed FY 2002-03 budget, the LAO estimated an \$18.7 million savings to the General Fund if CARB were to levy fees on stationary sources of pollution to replace funding from the General Fund. We should continue to be diligent in our opposition to any similar future attempts to impact stationary sources in the Basin that already pay similar fees to AQMD.

5. Mitigation Fee for Off-Road Mobile Source

Emission sources under federal jurisdiction account for about 33% of NO_x emissions in the South Coast Air Basin. For the most part, these sources including aircraft, ships, trains, 49-state motor vehicles, and certain off-road equipment and vehicles which are either uncontrolled or under-controlled. Significant reductions in NO_x are needed for this region to meet the federal 1-hour ozone standard (2010) as well as the federal PM_{2.5} standard (2014). In order to achieve a fair share of reductions from these sources, especially to address the immediate local needs, a mitigation fee or other program for federal sources needs to be implemented to ensure fair share emission reductions. Mitigation funds will be used to achieve equivalent emission reductions from both federal and non-federal sources.